



NEWS

From County Supervisor Paul Biane

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SAN BERNARDINO COUNTY MOVES TO RECLAIM FORECLOSURES

The San Bernardino County Board of Supervisors today advanced a bold economic recovery plan to correct the Inland Empire's catastrophic mortgage meltdown and reduce unemployment rates hovering near 10 percent.

The Board of Supervisors unanimously approved a statement of intent to contract with the Inland Empire Economic Recovery Corporation. The nonprofit public benefit corporation will stabilize Inland neighborhoods by acquiring foreclosed residential properties, then rehabilitating and selling them to qualified buyers.

About 42,356 homes in San Bernardino County currently are bank-owned, scheduled for auction or have been subjected to notices of default. In the past 11 months, property values in San Bernardino County have plummeted nearly 42 percent. Neighboring Riverside County has seen even more dramatic rates of foreclosures, pushing the two-county region to the forefront of the nation's foreclosure crisis.

In the next two years, about 240,000 homes in the Inland Empire homes are expected to enter into foreclosure, with experts predicting cataclysmic economic losses that may reach \$100 billion.

San Bernardino County leaders say participation in the Economic Recovery Corporation is the best way to manage thousands of residential properties that once were owner-occupied but are now vacant magnets for crime, or that are being snapped up for prices below their real value and turned in to rentals.

"Inland communities are becoming blighted, unemployment is soaring and demand for county-provided social services is on the rise as a result of this unprecedented economic crisis," said Board of Supervisors Chairman Paul Biane, who represents the County's Second District.

"The cost of inaction is too great. We cannot allow our communities to deteriorate while the burden on taxpayers and communities grows," Biane said. "We must forge a solution at the local level because that is where the leadership and knowledge to address this foreclosure crisis exists."

Biane said the Inland Empire Economic Recovery Corporation will generate local jobs by contracting with many private businesses, including property managers, real estate and mortgage professionals and landscaping and construction and property rehabilitation specialists.

Local oversight of our region's housing assets will translate into a swifter financial recovery, greater accountability and higher returns for taxpayers and communities, Biane added.

During the meeting Tuesday, the Board of Supervisors selected Supervisors Biane and Brad Mitzelfelt to serve without compensation on the board of the Inland Empire Economic Recovery Corporation, which will operate under the Brown Act open meeting laws. Local cities and the County of Riverside are also invited to join the County of San Bernardino and the corporation.

The appointment of the two supervisors to the partnership's board sends a positive message to Washington, D.C. that local leaders are committed to helping create solutions to the national economic crisis, San Bernardino County supervisors said Monday.

"We are absolutely committed to solving this crisis before it spirals any further out of control," Mitzelfelt said after his appointment Tuesday.

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